GOVERNMENT OF INDIA
SCIENCE AND TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:4605
ANSWERED ON:22.04.2003
BIO-TECHNOLOGY INDUSTRY
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Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) whether it is a fact that Bio-Technology industry has failed to take quantum jump and make use of the potential available in the country;

(b) if so, the reasons therefor; and

(c) the steps proposed to be taken to give philip to the Bio-Technology industry?

Answer

MINISTER OF STATE FOR SCIENCE AND TECHNOLOGY (SHRI BACHI SINGH RAWAT)

(a) & (b) : Biotechnology industry is presently moving ahead with a good speed to cover the areas of agriculture, nutrition, animal feed, health products and various diagnostics. An Indian directory prepared by Biotech Consortium India Ltd. (BCIL) in January 2001 includes biotech activities of about 176 companies in private sector whose products range from agriculture, environment to healthcare. More than 53 technologies developed in the country have been transferred to industry based on indigenous R&D. Some of the important ones like leprosy vaccine, HIV diagnostic kits, streptokinase, and bioremediation packages for clearing petroleum oil sludge are already in the market.

(c) : Several steps have been taken by Govt. to have speedy growth of Biotechnology Industry. Some of these include:

- Liberalisation of Industrial licensing policy with automatic route in Agribiotech.

- 100% foreign equity investments made possible in all biotech sectors.

- Fast Tract Clearance route for FDI proposals through FIIA.

- Government R&D investment over Rs. 1000 crores in biotechnology for developing skilled humans creating R & D infrastructure and providing extramural R & D support to public funded institutions.

- 100% rebates on R & D expenditure incurred by the company and 125% rebate if research is contracted in publicly funded R & D institutions.

- More than 50 R&D national labs are functional in public sector and over 20 labs are conducting research in frontier areas of biotechnology.

- Joint R & D projects provided with special fiscal benefits.

- Tax benefits to biotech sector have been brought at par with IT sector.

- Government funding in the area of Biotechnology has increased 4.5 times from 7th Plan to 9th Plan.